

changing needs of Nebraska and we have to remember also that we have been told repeatedly that our interstate highway system is worn out. We know that there are billions of dollars of unmet needs on our secondary highway system. We know that our bridges are in a sad state of repair in many parts of the country. We know that the cities and counties are also faced with increased responsibilities. More than anything else, we recognize that the economic development program that Governor Orr instigated a year ago depends, more than we like to recognize, on an efficient...

SPEAKER BARRETT: One minute.

SENATOR SCHMIT: ...modern system of highways. Senator Hartnett feels, and I concur with him, that this kind of recognition of the highway needs of the state is a second phase in the economic development program of the State of Nebraska and one which we need to recognize. I support the Hartnett amendment. I have an amendment to the Hartnett amendment which I will offer, hopefully, after the Hartnett amendment is adopted.

SPEAKER BARRETT: Thank you. Senator Lamb.

SENATOR LAMB: Well, Mr. President and members, I rise with severe misgivings about the bill, notwithstanding the Hartnett amendment, which is being offered, which certainly does change the previous bill considerably. I guess I remember back almost 20 years ago when we issued bonds for highway construction and maybe that was the thing to do but they are still not paid off. And the real...the real issue, I think, that you have to decide here, probably today, is whether you should be paying interest on the money or whether you should use the money for highway construction rather than for interest. You know, I just believe we should go on a pay-as-you-go basis. Each penny of increase in gas tax raises about \$9.4 million. If you want \$50 million in the kitty to do more roads, to repair more roads, to build more roads, all you have to do is raise the gas tax a nickel for one year and you've got it and you can do it and you don't have to worry about the interest. Now Senator Hartnett has circulated a letter here that says with \$50 million worth of bonds the variable gas tax rate would go up a little over half a cent and that sounds like peanuts, that's great. You know, only a half a cent, that's all it will go up. But you multiply that out and, if my arithmetic is correct, it's...\$4.9 million a year would be the annual cost of interest and principal on these